GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2996
ANSWERED ON:21.03.2002
FINANCIAL LOSSES TO RAILWAYS
ARUN KUMAR

Will the Minister of RAILWAYS be pleased to state:

(a) whether crores of rupees are being wasted by the Railways because of the negligence of the officials of the Railways;

(b) whether the officials responsible for causing financial loss to Railways have been identified;

(c) if so, the details thereof;

(d) whether a loss of Rs.11.89 crores has been caused for not recovering loss/damage and deterioration therein by the wagon builders in Yelehanka as per CAG report 9 of 1999 page 183; and

(e) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINIST RAILWAYS (SHRI O. RAJAGOPAL)

(a) No, Sir.

(b) Does not arise.

(c) Does not arise.

(d) In regard to CAG report of 1999 Page 183, it is clarified that Audit's contention regarding loss of Rs.11.89 crores is not correct. Out of Rs.11.89 crores indicating in the CAG report, Rs.8.33 crores pertains to the damage in imported wheelsets. The system of recovery from the respective suppliers and/or insurers in such cases of damages is an ongoing process. The total amount shown by the Audit pertains to supplies made in nineteen eighties and nineties which were reclaimed during the period from 1984-85 to 1997-98 by WAP. Records of recovery from the respective suppliers/insurers of wheelsets for more than Rs.6.8 crores have already been traced out and Audit advised.

An amount of about 3.54 crores pertains to wheelsets manufactured by WAP. Adequate care is taken on Indian Railways to ensure that during loading, unloading and transportation of wheelsets, no damage takes place. However, inspite of all possible precautions some damges are inevitable in the above processes. During the corresponding period, WAP have manufactured about 300,000 wheelsets valuing more than Rs.1000 crore. Thus, the value of damaged wheelsets is within reasonable percentage limits and negligibly small compared to the value of wheelsets manufactured and transported from WAP. Wagon builders are responsible and liable for recovery of cost of rectification only for the damage to wheel sets occurring in wagon builders' premises.

(e) Several measures for bringing down chances of enroute damage to the wheel sets to the bare minimum have been taken, such as :

- improved packing.
- application of anti corrosive paint on journal.
- sealing the journal with Fibre Reinforced Plastic (FRP) cover etc.